

# The Fiduciary Focus

Investment News From a Pro-Shareholder Perspective

December 16, 2025

**This Week:** President Trump orders probe of proxy advisors; journal retracts study on economic effects of climate change; The Bitcoin Brief welcomes Bitcoin in 529 college savings plans.

## President Trump Orders Probe of Proxy Advisors



On Thursday, President Trump issued an [executive order](#) calling for federal agencies to review the proxy advisory industry, explaining they often push "radical politically-motivated agendas" on corporate America, [Reuters](#) reports.

**Strive Sounds the Alarm:** Strive was founded on the very premise that many investors were being misled into putting their money into ostensibly-politically-neutral index funds, only to see their asset managers use those funds to push value-destroying social initiatives on portfolio companies. And from Day 1, we've emphasized the outsized role that proxy advisory firms had in making that happen. Institutional Shareholder Services (ISS) and Glass Lewis control around 90% of the proxy advisory market, and have pushed asset managers to vote for racial equity audits, net zero goals, deforestation measures, self-described human rights reports, and more. Now, the White House is taking note—and action.

### Proxy Advisors Push ESG:

- ISS and Glass Lewis are proxy advisors, meaning they sell guidance to asset managers and other investors advising them on how to vote their shares;
- Many asset managers blindly defer to ISS and Glass Lewis, both because it is less expensive and cumbersome than individually assessing the merit of each proposal or director up for a vote at every company, and because the SEC lets financial managers off the hook for compliance with conflict of interest rules if they outsource voting to a third party;
- But ISS and Glass Lewis themselves have no legal obligation to vote shares in shareholders' best financial interests, and they often don't, instead using their power to push corporate America to pursue a progressive social agenda instead.

**The Order Aims To Protect Investors:** The Order seeks to protect investors from these proxy advisors, including by instructing:

- The [Securities and Exchange Commission](#) to enforce federal anti-fraud provisions with respect to voting recommendations and review rules to ensure they protect investors from DEI and ESG-laden proxy advice;
- The [Federal Trade Commission](#) to investigate potential antitrust and consumer protection violations, such as deceptive trade practices; and
- The [Department of Labor](#) to strengthen the fiduciary duty requirements under ERISA and other retirement investing laws.

**Why It Matters:** The proxy advisory industry has long operated in the shadows of corporate governance, using its behind-the-scenes influence to steer outcomes with little scrutiny. This executive order brings that influence into the open; sunlight may prove to be the most effective check of all.

## Journal Retracts Influential Study on the Dire Economic Effects of Climate Change



Nature has retracted a widely cited study on the economic damage of climate change following criticism from fellow academics, the [Wall Street Journal](#) reports.

**The Study:** The study claimed that the world's economic output would drop by 62% by 2100 under a high-carbon-emissions scenario, which was a dramatically higher figure than other studies showed.

**Its Influence:** Perhaps because of its dire predictions, the study proved influential.

- The [U.S. Congressional Budget Office](#) used the study to argue that U.S. GDP could be at least 21% lower in 2100 than it would be if temperatures remained steady.
- The [World Bank](#) cited it as "key literature" on the effects of climate change.
- The [Network for Greening the Financial System](#), which is a coalition of central banks, which used the study in risk tools for banks to stress-test portfolios to comply with European regulations.

**The Flaws:** In August, Nature published two critiques of the article. The first found that results were skewed by a single example, without which the damage forecast fell from 62% to 23%. The other critique found that, after correcting for certain methodological errors, the study produced no statistically significant results at all. The original authors didn't even try to defend their work: "We broadly agree with the issues raised," one author told the Wall Street Journal. And they agreed with the retraction.

**Strive's Take:** While we're encouraged to see the retraction, unsubstantiated climate alarmism has caused real economic harm. Companies misallocated capital. Banks were forced to set aside unneeded capital reserves. And investors have been misled into making financially suboptimal decisions. The retraction should serve as a reminder that even the scientific papers published in the most prestigious journals aren't free from bias, particularly when it comes to the purported economic effects of politically favored social and climate policy.

## AT&T Drops DEI Policies



AT&T has vowed to drop its DEI policies in a letter to FCC Commissioner Brendan Carr, the [New York Post](#) reports, piece on DEI.

**No More DEI Training:** AT&T has pledged to end its controversial DEI [trainings](#), in which employees:

- were told, "White America, if you want to know who's responsible for racism, look in the mirror" and that the United States is a "racist society";
- were asked to confess their complicity in "white privilege" and "systemic racism," on pain of being penalized in performance reviews;
- asked to sign a loyalty pledge to "keep pushing for change" including by "challenging others' language that is hateful," and being told that if they didn't sign "you're a racist."

**Other Policy Reversals:** AT&T also pledged to:

- hire and promote employees based on merit alone;
- end hiring and supplier contract quotas based on race, gender or sexual orientation;
- stop participating in external surveys focused on race, gender or sexual orientation

**A Growing Trend:** AT&T's policy change follows similar commitments by Verizon and T-Mobile, as well as major companies in other industries including Walmart, Target, Molson-Coors, Ford, Boeing, and John Deere.



## Indiana Proposes A Bitcoin-Powered Education

Last week, Indiana lawmakers introduced groundbreaking [legislation](#) that would make the state the first in the nation to require Bitcoin investment options in 529 education savings accounts. For parents who believe Bitcoin represents the future of money, the legislation would allow them to save for college in Bitcoin while enjoying the tax benefits of doing so in a state-sponsored account.

The bill meets a real need. As Bitcoin's growth has outpaced traditional investments, parents have been ditching traditional 529 plans for Bitcoin on their own, convinced that stock market returns won't keep pace with soaring college costs. A [Bloomberg](#) report from earlier this year profiled families converting entire 529 balances to Bitcoin, willing to pay tax penalties for a chance at future gains. One physician pulled a decade's worth of savings from his children's 529 accounts and moved it all into Bitcoin, reasoning that if he's doing it for himself, why wouldn't he do it for his kids? They have even longer time horizons to weather short-term volatility.

Parents' reasoning is clear. With top private universities approaching \$100,000 per year, traditional investment returns feel inadequate. Bitcoin, meanwhile, has delivered a more than 500% gain since its 2022 lows. Over an 18-year horizon, Bitcoin's track record suggests it could dramatically outperform conventional portfolios. Now, Indiana's legislation means families won't have to choose between tax advantages and Bitcoin exposure. They'll be able to have their Bitcoin and eat it too.

The bill also fits into a broader trend of Bitcoin integration in higher education. [Several](#) universities already accept Bitcoin for tuition payments, with some even [eliminating](#) 2-3% payment processing fees in exchange for doing so. Others allow Bitcoin payments for specific courses: [Wharton](#), for example, accepts Bitcoin for its "Blockchain and Digital Assets" class.

Indiana's approach is bold but balanced. By requiring parents to invest in ETFs rather than direct Bitcoin holdings, the legislation provides regulatory guardrails (and improved administrability) while giving families access to a unique investment to power their children's education accounts.

In the end, Indiana isn't just betting on an asset class, it's allowing families the freedom to fund their children's dreams with the same conviction they bring to their own.



## Strive Urges IRS to Adopt Fair Tax Treatment for Bitcoin

Last month, Strive submitted a public comment [letter](#) urging the IRS to keep a simple, common-sense principle in place: companies shouldn't be taxed on gains they haven't actually realized. A recent accounting change could have forced U.S. companies to pay taxes on Bitcoin "paper gains," even when no Bitcoin was sold. The IRS's interim fix prevents this problem and ensures Bitcoin is treated the same way as stocks and other assets. We're encouraging the IRS to make this guidance permanent so American companies can innovate with confidence.

[Read Here](#)

## The Best of The Rest

Additional stories about ESG investing, company happenings, and more.

- [U.S. Chamber of Commerce takes heat for promoting ESG and DEI](#): accused of making \$8.4 million in race-based grants to minority-owned businesses.
- [Exxon boosts earning projections to \\$25 billion](#) in earnings growth through 2030; the top U.S. producer plans to up oil and gas output in coming years.
- [Capitalism isn't doomed, it just needs some tweaking](#), argues new wave of books.
- [EU continues to noodle on sustainability laws](#): catch up on the latest and greatest revisions.
- [Delaware shareholders have no inherent right to submit proposals](#), argues new academic paper, raising the controversial possibility that companies could ban them entirely.

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## Who Are We?

Strive is one of the fastest growing asset management firms. Our mission is to maximize value for our clients by leading companies to focus on excellence. [Click here](#) to learn more.

## What Makes Strive Different?

While many asset managers push companies to focus on other stakeholders such as employees, suppliers, the environment and society at large, we live by a strict commitment to shareholder primacy — the belief that **the purpose of a for-profit corporation is to maximize long-run value for investors**. [Click here](#) to learn why shareholder primacy is so important.

## How Does Strive Maximize Value?

Our [corporate governance](#) team engages with the companies in which our clients are invested to advocate for the pursuit of excellence in corporate America. We are aggressively apolitical when it comes to utilizing our corporate governance tools and demand that companies focus exclusively on delivering long-term financial value for investors. The corporate governance team also determines how to cast our shareholder votes at annual meetings and special elections, evaluating each proposal through the lens of maximizing financial return.

Our research team conducts deep analysis of macro economic trends, market developments, and industry- and company-specific metrics to identify potential risks and opportunities for our clients. We then incorporate the results of this research into our engagement and voting strategy, and share it with our clients in the form of white papers and market research reports so they can make the most educated investment decisions possible.

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